Loans for industries in Assam

536. SHRI NAGEN SAIKIA: Will the Minister of FINANCE be pleased to state:

(a) the number of private parties that applied for loans to set up industries in Assam in the last financial year i.e. 1986-87;

(b) the names of the recipients and the amount granted to each recipient; and

(c) whether any progress reports have been submitted in connection with the setting up of industries?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI MADHAN POOJARI): [illegible] the information [illegible] Industrial Development [illegible], four parties applied for loans to all India term lending financial institutions (Industrial Development Bank of India, Industrial Finance Corporation of India and Industrial Credit & Investment Corporation of India for setting up of industries in Assam during the financial year 1986-87. From amongest pending applications and fresh applications received loans amounting to Rs. 2191 lakhs were sanctioned in respect of four cases by the financial institutions during the same period. Progress reports are submitted by the parties regarding setting up of industries to the institutions. As per the statutes governing public financial institutions and the practices and usages customary among the bankers, information relating to or to the affairs of their individual constituents cannot be divulged.

Steps taken for lifting Swiss banking secrecy

537. SHRI V. GOPALSAMY:
SHRI T. R. BALU:

Will the Minister of FINANCE be pleased to state what are the details of steps Government have taken so far towards lifting Swiss banking secrecy and to gain access to banking records of Indian nationals?

THE MINISTER OF FINANCE AND THE MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): A team of experts headed by Shri A. Ghosh, Deputy Governor, Reserve Bank of India was deputed to Switzerland to obtain first hand information on the existing Swiss legal framework and procedures for obtaining information from Swiss Banks and to study the treaties/agreements entered into by Switzerland with other countries for mutual assistance in investigation of criminal matters. The team held discussions with representatives and officials of the Swiss Division of International Legal Assistance and Police Matters, Swiss National Bank and the Swiss Federal Banking Commission. Based on their discussions, the team has concluded that:

(i) Though Swiss authorities would not permit generalised enquiries or ordinarily divulge information about customers' accounts, Swiss banking secrecy could be lifted and information about customers' accounts obtained by securing appropriate court orders in Switzerland.

(ii) The Swiss Federal Act on International Mutual Assistance in Criminal Matters (IMAC) provides for rendering of mutual assistance in criminal matters where acts with respect to which assistance is sought satisfy the test of dual criminality, and the State seeking assistance guarantees reciprocity to Swiss authorities.

(iii) Mere evasion of tax or infringement of fiscal laws or violation of foreign exchange regulations would not be regarded as criminal offences by Swiss authorities.

(iv) Information obtained under IMAC cannot be used for any

other purpose other than for which it is obtained.

(v) Assistance from Swiss authorities under IMAC could be obtained even without entering into a bilateral treaty/agreement with Switzerland provided that the requirements of dual criminality and reciprocity are satisfied. Entering into a treaty or agreement would however enable (a) assistance even beyond the provisions of IMAC being extended and (b) placing an obligations on Swiss authorities to provide assistance according to the terms of treaty/agreement.

In the light of the above conclusion, Government is initiating steps to enter into a treaty for mutual assistance in criminal matters with Swiss authorities, and pending conclusion of such a treaty/agreement entering into a Memorandum of Understanding with Swiss authorities for assistance in specific cases of Indians having accounts in Swiss Banks with funds obtained illegally.

Thakkar-Commission

536. SHRI V. GOPALSAMY:
SHRI K. GOPALAN:

Will the Minister of FINANCE be pleased to state:

(a) when the Thakkar Commission is expected to submit its report; and

(b) The amount of expenditure as on date the Commission has incurred?

THE MINISTER OF FINANCE AND THE MINISTER OF COMMERCE (SHRI NARAYAN DATT TIWARI): (a) The Commission is expected to submit its report by 5th October, 1987.

(b) As on 22nd July, 1987 the Commission had incurred an actual expenditure amounting to Rs. 2,74,468/-.

Small Industries Development Fund

539. SHRI GOPAL RAO RAO: Will the Minister of FINANCE be pleased to state:

(a) whether Government have set up the Small Industries Development Fund (SIDF) under the Industrial Development Bank of India (IDBI);

(b) if so, the details of the SIDF and the objectives of the SIDF;

(c) whether the SIDF has provided any refinance assistance for the development, expansion, diversification, modernisation and rehabilitation of Small Scale Industries in Andhra Pradesh; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) and (b) The Small Industries Development Fund (SIDF) has been set up in the Industrial Development Bank of India (IDBI) on 20th May, 1986. The main objective of SIDF is to focus attention on orderly and efficient growth of small scale sector and to coordinate the activities of various agencies engaged in the task of financing and provision of extension services to this sector.

(c) and (d) The details of assistance disbursed by the IDBI during the period July 1986 to June 1987 from SIDF to small scale industries in Andhra Pradesh are given below:

(Rs. in lakhs)

Scheme	No. of units	Disbursements
1. *Refinance assistance*		
(a) Rehabilitation	8	19.45
(b) Other development schemes (equipment refinance, integrated term loan, quality control, etc)	4505	3840.17
(c) Road Transport Operators . .	1351	1575.45
2. Bills Rediscounting Scheme . . .	82	2014.08
TOTAL . . .	5940	7455.15